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AFFILIATED WITH THE AFL-CI

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## STATEMENT BY

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AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES
(AFL-CIO)

## BEFORE THE

SUBCOMMITTEE ON SEAPOWER AND STRATEGIC AND CRITICAL MATERIALS
ARMED SERVICES COMMITTEE
U. S. HOUSE OF REPRESENTATIVES

ON

MILITARY OFFICERS DOING CIVILIAN WORK AND "THE REVOLVING DOOR"

APRIL 18, 1985

TO DO FOR ALL THAT WHICH NONE CAN DO FOR ONESELF

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I wish to thank the Committee for this opportunity to testify on the so-called "Revolving Door" Policy.

I have been a civilian employee of the Navy for almost 30 years. I have worked in various Naval activities on the East Coast; such as, the building offices in Groton, Connecticut and Quincy, Massachusetts. A major part of my career was in contract administration of multimillion dollar Navy surface ship construction contracts and the overhaul, refuel and retrofit of nuclear submarines.

Subsequent to my career as a federal employee, I was elected as New England Vice President of the American Federation of Government Employees, AFL-CIO. In this capacity, I represent thousands of federal employees working for the Navy and Air Force in the same discipline. My continuing contacts through members of the locals has maintained my awarness of what transpires in this system.

Prior to any specific comment or response to any question, I would like to make a few general statements. I wish to state that I am in no way opposed to military or civilian employees following their Government career, and be employed by private industry, providing that such employment is in no way related to a contractor for which they have had prior contract administration responsibilities.

I also wish to state that our union does not object to seagoing personnel accepting a job with a defense contractor, further when such personnel are assigned shore duty their experience with ships and ship systems would be most valuable to Navy civilian engineers, quality control and technical personnel.

It is very difficult to pinpoint the destructive effect of the Revolving Door Policy upon all aspects of contract administration,

procurement, engineering and quality control. Once the individual has made the decision for one reason or another, i.e. being passed over or eligible for retirement, to make that transition from the military to the private sector, a dramatic change comes about.

I do not believe that any of my professional military colleagues are or have ever been, unethical or immoral; but, I do believe this transitionary period of career change does effect their professional integrity to a degree in their relationship with the contractor involved.

The subtlety of its effect, in my opinion, when perceived by those he works with during this transition period and after his employment by the same contractor he has been administering, is devastating to the workers left behind.

I would like to start by discussing the military backgrounds of the officers I have been associated with in the contract administration field. These military people who were in command in policy making decisions have had considerable money invested in their careers by the Government. For example, a number of them were graduates of the U. S. Naval Academy in Annapolis in an engineering discipline, went to sea for one tour (two years), then some of that group were selected and sent to engineering schools, such as MIT, Webb, etc., for their Masters Degree. They then assume positions in a Navy Field Office whose function is to administer multi-million dollar contracts for construction and repair of surface ships and submarines. These officers will never go to sea again during their career; further, they are rotated every two years. I have always wondered what great savings could have been attained by civilians being hired to do this work. The military, during their tours of duty, are either Supervisors of Shipbuilding,

Engineering Department Heads, Contracting Officers or Project Officers. They are always in mangement positions regardless of their rank and basic experience. These military officers, as it were, are always in charge. Therefore, they are, in effect, responsible for much of the cost overruns that have afflicted DOD. In my personal experience during this transitionary period I have spoken about, I have found that they are inclined in a lot on instances, to lean in the contractor's direction. They have not notified the Procurement Personnel so that decrease cost change orders could be issued.

Another aspect of the Revolving Door situation is that the military retiree who goes to work for a contractor, never loses his title and the full-time military, who are of lesser rank, often do things upon the request of a senior retired officer. I was always of the impression that when an Admiral or a Navy Captain retired and went to work for the contractor or subcontractor, that his rank did not count with the military who were still in the service; however, it does.

The men and women that AFGE represents are greatly concerned with cost overruns. It should be mentioned here that all procurement falls under high-ranking military officers who seem to have no idea about costs. Our concern is that someday downstream, the public will rise up in opposition to any Defense. We believe in a strong defense, but in order to realize that, competent civilians will have to be elevated into key positions in the Defense Department Procurement.

We cannot afford to spend inordinate sums of money in training naval officers who never go to sea; and, retire at a very early age after they have been passed over for promotion.

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We support legislation that will prevent a civilian or military person from going to work for a contractor whose contracts they have been administering. The legislation should also cover hiring by subcontractors who are performing tasks for the prime contractor.